

## Article - Environment

[\[Previous\]](#)[\[Next\]](#)

§9-1609.

(a) The Administration is authorized, subject to the prior approval of the Board and the Secretary, to provide for the issuance of its bonds for the purpose of refunding any bonds of the Administration then outstanding, including the payment of any redemption premium thereon and any interest accrued or to accrue to the earliest or any subsequent date of redemption, purchase, or maturity of such bonds. Refunding bonds may be issued in the discretion of the Director for any public purpose, including, without limitation, the public purposes of realizing savings in the effective costs of debt service, directly or through a debt restructuring, or alleviating an impending or actual default, or relieving the Administration of contractual agreements which in the opinion of the Director have become unreasonably onerous or impracticable or impossible to perform. Refunding bonds, in one or more series, may be issued in an amount in excess of that of the bonds to be refunded. Without limiting the extent of any sources of payment provided by the Administration, refunding bonds may be made payable from escrowed bond proceeds and from interest, income, and profits, if any, on investments.

(b) The proceeds of any bonds issued for the purpose of refunding outstanding bonds may, in the discretion of the Director, be applied to the purchase or retirement at maturity or redemption of such outstanding bonds either on their earliest or any subsequent redemption date, and may, pending such application, be placed in escrow to be applied to such purchase or retirement at maturity or redemption on such date as may be determined by the Director.

(c) Any such escrowed proceeds, pending such use, may be invested and reinvested in obligations of or guaranteed by the United States of America, or in certificates of deposit or time deposits secured by obligations of or guaranteed by the United States of America, maturing at such time or times as shall be appropriate to assure the prompt payment, as to principal, interest, and redemption premium, if any, of the outstanding bonds to be so refunded. The interest, income and profits, if any, earned or realized on any such investment may also be applied to the payment of the outstanding bonds to be so refunded. After the terms of the escrow have been fully satisfied and carried out, any balance of such proceeds and interest, income, and profits, if any, earned or realized on the investments thereof may be returned to the Administration for use by it in any lawful manner.

[\[Previous\]](#)[\[Next\]](#)